1 November 1973

MEMORANDUM FOR:

Director of Current Intelligence Director of Economic Research Director of Strategic Research Director of Political Research

Director, Central Reference Service Director, Imagery Analysis Service

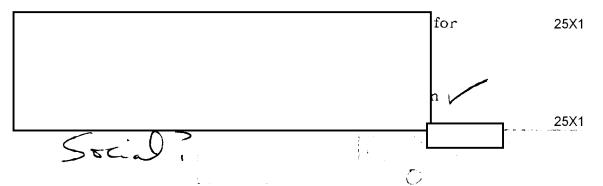
Director, Basic and Geographic Intelligence

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SUBJECT

: Comments on Congressional Proposal

- 1. As a result of hearings conducted by Congressman Neuz. s Special Subcommittee on Intelligence on the general question of Agency involvemétt in Watergate/Ellsberg matters, legislation is being developed that could damage some of our legitimate relationships Specifically, the proposed legislation would, among other things, prohibit transactions between cormer CIA employees and the Agency above and beyond purely routine administrative matters.
- 2. I need your comments by COB Monday, 5 November, on the possible adverse impall this proposal would have on some of our activities. Please consider the effects of this legislation. on the following activities in proparing your remarks:
 - the hiring of contract and/or part-time employees, a
 - our consultant relationships;



Any additional thoughts you may have would be appreciated.

PAUL V. WALSH Associate Deputy Director for Intelligence